



**Commonwealth of Massachusetts**  
**Executive Office of Health and Human Services**  
**Division of Medical Assistance**  
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Eligibility Operations Memo 02-03  
January 1, 2002

TO: MassHealth Eligibility Operations Staff

FROM: Tom DeVouton, Director, MassHealth Enrollment Center Operations

RE: **2002 Social Security Benefit Cost-of-Living Adjustment (COLA) for MassHealth Health Care Reform Cases on MA21**

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**Introduction** Effective January 1, 2002, a Social Security cost-of-living adjustment (COLA) will increase monthly Social Security benefits for Retirement/Survivors/Disability Insurance (RSDI) beneficiaries by 2.6%. The new monthly Social Security RSDI benefit amounts are currently available through the SVES inquiry, and will be available through BENDEX inquiry as of January 1, 2002.

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**COLA Protection for Persons Who Were MassHealth Members on December 31, 2001** MassHealth regulations at 130 CMR 506.008 state, "Members whose income increases each January as the result of a COLA remain eligible until the subsequent federal-poverty-level adjustment." This adjustment occurs annually in April. Therefore, when determining financial eligibility, regardless of the reason, from January 1 until the new federal-poverty-levels (FPLs) are implemented in April 2002, use the 2001 Social Security RSDI benefit amounts to determine continued financial eligibility. These amounts are found on the SVES, SSA Request Entry/Review screen by displaying the benefit history. **An alert message will be placed on the BENDEX Inquiry screen indicating that the 2002 COLA amounts are displayed.**

This procedure applies to Social Security RSDI beneficiaries who were MassHealth members on December 31, 2001.

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**Approvals On or After January 1, 2002** The financial eligibility of RSDI beneficiaries who become MassHealth members on or after January 1, 2002, is based on the 2002 Social Security RSDI benefit amounts.

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**Questions** Please direct any questions about the information in this memo to the MassHealth Policy Hotline through the designee at your enrollment center.

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